

**Minutes of Stated Session Meeting
First Presbyterian Church
Charlottesville, Virginia
July 25, 2022**

Attendees:

Pastor and Moderator: David Forney

Associate Pastor and Vice Moderator: Aram Bae

Ruling Elders:	Class of 2022	Class of 2023	Class of 2024
	Christine Dean	Judy Blair	Charlie Chadwick
	Amy Gillespie	Robert Brewbaker	John Dillery
	Rich Lutz	Victoria Kean	Linda Hitt
	Cathy Meaney	David Maloney	Jocelyn Kelley
	Monika Mentzer	Carolyn Pettit	Jolene Kidd(E)
	Wayne Mullins	Reid Thompson	Vasant Kumar(E)
	David Schmidt		Trip Walker
	Ada Trowbridge		

Covenant Pastor: Rachel Sutphin

Clerk of Session: Judy Blair

[E denotes excused absence; A is for unexcused absence]

Opening items:

- With a quorum present, the moderator called the meeting to order at 7:00 pm.
- Charlie Chadwick led the devotional and opening prayer.
- The moderator led the recitation of the Vision & Mission statement.
- The meeting agenda was approved as proposed.

Consent Agenda: the items below were approved unanimously:

- Approve the minutes of the Stated Session Meeting on May 23, 2022
- Receive the May and June 2022 financial reports (attached to F&A meeting minutes)
- Approve the baptism of Alice Luise Crosby, daughter of Hannan and Dan Crosby, tentatively scheduled for August 28, 2022, to be administered by Rev Aram Bae
- Approve the following at-large committee memberships:
 - Sandy Monson and Rick Welborn – Finance & Administration Committee
 - Jan Garnett – Personnel Committee
 - Allie Bullivant – Preschool Committee
 - Anita Brockett – Youth Ministry Committee
 - Jean Hudson – Welcome & Worship Committee
- Approve the Celebration of the Lord's Supper at Rachel Sutphin's ordination service at 3 pm on August 14, 2022.
- Approve the resignation of Brent Isaacs from the Board of Deacons.

Old Business: Financial update on Faith Grows Here (FGH) project

- The Session meeting packet included a memo from the FGH Financing Workgroup on recommendations for managing FGH cashflow as construction ends until loans are paid and commitments are satisfied. (Memo attached)
- On behalf of the workgroup, David Maloney explained that the workgroup had analyzed cash on hand, receivables, remaining expenses, loan balances, and other commitments and determined that an additional \$1,377,035 is needed to meet known obligations.

- David noted that the workgroup's recommendations focused on the process for paying loans and commitment and that plans for additional financial support will be addressed separately.
- A motion from the Finance & Administration Committee to approve the plan for managing FGH cashflow as proposed by the FGH Financing Workgroup was made and unanimously approved, including the process for paying loans and commitments in the following order:
 - Church member loan
 - Atlantic Union Bank loan
 - Mission and Benevolence Endowment commitment
 - Loan from the FPC Building Endowment.
- Bequest designated for building and grounds improvements
 - David Forney explained that, shortly after Cal Pennock's death last year, he had been told we would receive a sizeable bequest designated for building and grounds improvements from Cal's estate; however, the actual amount was not known.
 - After sharing Cal and Ruth Pennock's long history at FPC, David announced that the bequest amount to FGH is \$1.5 million.
 - Session paused for a moment of thanksgiving and praise, lifting up in prayer the Pennock's for their incredible generosity.
- This gift will cover the gap between the net of the current FHG cash received plus unpaid pledges and our loan commitments plus the unmet commitment to the Mission & Benevolence Endowment.
- We are still dependent on receipt of the \$1 million plus in unpaid pledges, which are scheduled be fulfilled by end of 2025.

Reports from Committees and Work Groups:

- Draft minutes and reports from the following were submitted in advance of the meeting along with the meeting agenda: Adult Ministry, Christian Outreach, Endowment, Finance & Administration, Personnel, Preschool, and Property Management committees, Board of Deacons, and Clerk.
- Cathy Meaney on behalf of Children and Family Ministry reported a critical need for teachers of our children's Sunday morning classes and encouraged Session members to consider this volunteer role and to help recruit others.
- Rachel Sutphin described her major activities since her arrival: Montreat and Vacation Bible School. She reported a need for youth teachers and for volunteers to lead the children's conversations during Sunday worship services.

New Business:

- Session Committee assignments for 2022
 - Instead of waiting until January for new officers to begin their work on Session committees, those who are nominated to serve starting in 2023 are being asked to join committees as at-large members now to expedite congregational re-engagement in the church's programs and activities.
 - David Forney emphasized the importance of rebuilding our pipeline of teachers, officers, and other volunteers.
- The reports highlighting the many unfilled opportunities to serve and the crucial need to focus on re-engagement and how we live as a community led to lively discussion and brainstorming. A recurring concern that the 8:30 start time for the early worship service is viewed as too early and a possible deterrent to re-engagement led to the following motion being made, seconded, and approved unanimously:
 - That a workgroup be established to consider the impact of the current timing of worship, fellowship time, and Sunday morning classes, engaging appropriate

ministries and preparing by Session's August 28 meeting a report on options and next steps. Charlie Chadwick, Linda Hitt, Carolyn Pettit, Carolina Trowbridge, and Trip Walker volunteered to serve on the workgroup.

- Charlie Chadwick's report on the June 14 POJ meeting included the following:
 - The hybrid format for the meeting worked well.
 - Rev. Dr. Floretta Barbee-Walkins was introduced as the new Lead Presbyter for Vision & Collaboration; Cindy Corell, PC(USA) mission coworker in Haiti, delivered the worship service message; and Debbie Rexrode was recognized for her ministry as POJ's Associate for Stewardship.
 - There was a presentation on the archive records of the Presbyterian Historical Society.
 - Three candidates for ordination, including Rachel Sutphin, preached concurrently as their last step in the examination process.
 - Camp Hanover is now a 501(c)3 organization.

Announcements

- Picnic on Park on Wednesday, August 3, 2022, at 6 pm
- Next Stated Session Meeting: Monday, August 22, 2022, at 7 pm Devotion: Amy Gillespie
- Annual Congregational & Corporation meetings and an FGH ribbon-cutting celebration on Sunday, August 28, 2022, at 9:45 am

Thanksgivings and Commendations:

- All who have supported our Faith Grows Here project: the Pennock family, 204 other families who have made monetary commitments, those who have prayed for the project's success, and the committees, workgroups, and staff who have been actively engaged in renovation and construction activities
- Fred Holbrook for his 40 years of ordained service in the PC(USA)
- Vacation Bible School volunteers for a joyous week of activities
- Members of the Finance & Administration and Endowment committees for their commitment of time and their expertise

The moderator ended the meeting at 8:25 pm after a laying-on of hands in thanksgiving for Ada Trowbridge, Session's current youth representative who is heading to college, followed by a prayer.

Minutes recorded by Clerk of Session Judy Blair

Approved 8.22.22

To: Finance & Administration Committee, First Presbyterian Church
 From: FGH Financing Workgroup (Rob Freer, David Maloney, Bill vonReichbauer, Mac Walker)
 Re: Recommendations for managing FGH cashflow as construction ends until loans are paid and commitments are satisfied

At F&A's June 13 meeting, the committee requested that the FGH Financing Workgroup (Workgroup) develop a plan to manage payment of the remaining FGH bills, the project loans, and the Mission & Benevolence Endowment commitment. The financial status of the project, including FGH fund cash balance, remaining anticipated bills and refunds, pledges receivable, and outstanding loans and endowment commitment as of the date of the meeting are shown below.

<u>FGH Cash and Pledges Receivable versus Loans and M&B Endowment Commitment</u>			
FGH Cash Balance (May 22 stmts)	\$996,673.00		
Plus: City bonds to be returned	\$63,849.00		
Less: Remaining FGH costs			
Hourigan May bill--to be paid in June	(\$176,358.82)		
Hourigan final bill, net of contingency	(\$503,172.95)		
Signage	(\$63,000.00)		
Other (furniture, drapes, whiteboards, etc)	(\$25,000.00)		
Less: Payment of Atlantic Union Bank loan principal in June per designated gift	<u>(\$100,000.00)</u>		
Net FGH Cash available to service debt		\$192,990.23	
Unpaid pledge total		<u>\$1,076,025.00</u>	
Total Net FGH Cash and Pledges Receivable			<u>\$1,269,015.23</u>
Loan from church member		\$500,000.00	
Loan from Building Endowment		\$700,000.00	
Loan from Atlantic Union Bank (May 22 stmts)	\$1,371,050.77		
Less: Paydown of Atlantic Union Bank debt in June (from above)	<u>(\$100,000.00)</u>		
Net Atlantic Union debt		<u>\$1,271,050.77</u>	
Total loans due		\$2,471,050.77	
M&B Endowment Commitment	\$200,000.00		
Less: Previous gifts	<u>(\$25,000.00)</u>		
Unmet M&B Endowment Commitment		<u>\$175,000.00</u>	
Total Loans and M&B Endowment Commitment			<u>\$2,646,050.77</u>
Cash needed to pay remaining loans and commitment			<u>\$1,377,035.54</u>

The Workgroup met on June 20 and recommends the following:

- After accounting for the remaining FGH bills, the loans and commitments should be paid in the following order:
 - The church member loan
 - Atlantic Union Bank (AUB) loan
 - Mission & Benevolence Endowment commitment (M&B commitment)
 - First Presbyterian Church Building Endowment loan

- Repayment of the church member loan should begin once the net FGH fund cash balance exceeds the monthly payments due (\$8,046.75 per month) on the AUB loan for the following 12 months. The payment on the loan to the church member will be made in \$100,000 increments. The Finance & Administration director shall make an accounting of the FGH financial status monthly to the F&A Committee with a recommendation as to the payment amount to the church member for that month for its approval.
- After the church member loan is paid, prepayments of principal on the AUB loan will begin once the net FGH fund cash balance exceeds the monthly payments due (\$8,046.75 per month) on the AUB loan for the following 12 months. The Finance & Administration director shall make an accounting of the FGH financial status monthly to the F&A Committee with a recommendation as to the amount of prepayment of principal of the AUB loan for that month for its approval.
- After the church member loan and the AUB loan are repaid, payments on the M&B commitment will be made. The Finance & Administration director shall make an accounting of the FGH financial status monthly to the F&A Committee with a recommendation as to the M&B commitment payment for that month for its approval.
- After the church member loan, the AUB loan, and the M&B commitment are paid, the Building Endowment loan will be paid. The Finance & Administration director shall make an accounting of the FGH financial status monthly to the F&A Committee with a recommendation as to the loan payment amount for that month for its approval.
- A workgroup comprising Debbie Rexrode, Jamie Miller, Judy Blair, and David Forney will develop and implement a plan to encourage additional pledges and gifts to eliminate the remaining outstanding loans and endowment commitment associated with the FGH project.